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Attorneys for Plaintiff (Movant),  
REBECCA ZULIM, M.D.

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA  
FRESNO DIVISION

In re

TULARE LOCAL HEALTHCARE  
DISTRICT dba TULARE REGIONAL  
MEDICAL CENTER,

Debtor.

Tax ID #: 94-6002897  
Address: 869 N. Cherry Street  
Tulare, CA 93274

Case No. 17-13797

DCN: DLM-2

Chapter 9

Date: April 12, 2018  
Time: 9:30 a.m.  
Place: 2500 Tulare Street, 5<sup>th</sup> Floor  
Fresno, CA 93721  
Courtroom: 13  
Department: B  
Judge: Hon. René Lastreto II

ORDER CONDITIONALLY GRANTING RELIEF FROM THE AUTOMATIC STAY  
UNDER 11 U.S.C. § 362

1. On September 30, 2017, Debtor Tulare Local Healthcare District dba Tulare Regional Medical Center ("TRMC") commenced a voluntary case under Chapter 9 of Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court, Eastern District of California ("Petition Date").

RECEIVED

April 27, 2018

CLERK, U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA  
0006268793

ORDER CONDITIONALLY GRANTING RELIEF FROM THE AUTOMATIC STAY UNDER 11 U.S.C. § 362

1           2.       Movant Rebecca Zulim, M.D. (“Zulim”) wishes to commence an action in the  
2       Tulare County Superior Court against TRMC and others based on “Whistleblower,” retaliation,  
3       discrimination, and other claims that arose prior to the Petition Date (“Lawsuit”).

4           3.       On March 13, 2018, Zulim filed and served a Motion For Relief From Automatic  
5       Stay Under 11 U.S.C. § 362 (“Motion”) [Docket Nos. 450-455]; on March 29, 2018, TRMC filed  
6       and served an Opposition To Motion For Relief From Automatic Stay (Rebecca Zulim, M.D.)  
7       [Docket Nos. 459-460]; on April 5, 2018, Zulim filed and served a Reply To Opposition To  
8       Motion For Relief From Automatic Stay Under 11 U.S.C. § 362 [Docket Nos. 470-471]. A  
9       hearing on the Motion took place on April 12, 2018, at 9:30 a.m., in the above-entitled Court, the  
10      Honorable René Lastreto II, presiding.

11          4.       Based on the moving, opposition, and reply papers submitted, statements and  
12      arguments of counsel made at the hearing, and for good cause shown, **THE COURT HEREBY**  
13      **GRANTS** Zulim’s Motion to pursue the Lawsuit against TRMC on the following conditions:

14          A.       Zulim’s recovery against TRMC in the Lawsuit, if any, shall be limited to any  
15      proceeds available under any insurance policy, policies, or any liability coverage contracts<sup>1</sup>, as  
16      the case may be, if any, applicable to Zulim’s Lawsuit, and not from TRMC’s assets;

17          B.       If it is determined that TRMC lacks insurance coverage applicable to Zulim’s  
18      Lawsuit, or, if TRMC is denied a defense to Zulim’s Lawsuit because TRMC lacks insurance  
19      coverage applicable to Zulim’s Lawsuit, thereby requiring TRMC to defend itself from its own  
20      assets, Zulim may return to the bankruptcy court to either: (1) seek further relief from the stay to  
21      liquidate her claim in state court notwithstanding the lack of insurance coverage; or (2) have her  
22      claim liquidated at the bankruptcy court level through the claims process;

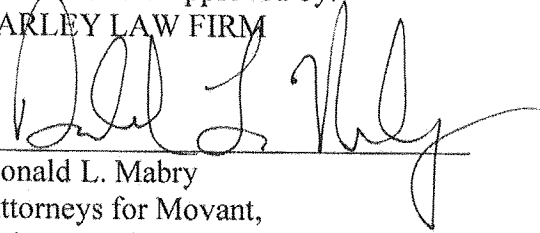
23          C.       Zulim waives her right to collect the amount of any applicable deductible which  
24      may apply to any applicable insurance concerning any settlement or judgment resulting from the  
25      

26      \_\_\_\_\_  
27      <sup>1</sup> Pursuant to California Government Code Sections 6500 et seq., TRMC is a member of a risk-sharing pool (the  
28      “Policy”). Pursuant to California Government Code Sections 6500 et seq., and Sections 990 et seq., BETA  
    Healthcare Group Risk Management Authority (“BETA”) administers the pool under a joint powers agreement.  
    BETA and TRMC have entered into a Stipulation for Assumption of the BETA Policy. Assumption of the BETA  
    Policy pursuant to the Stipulation was authorized by the Court by Order dated January 26, 2018.

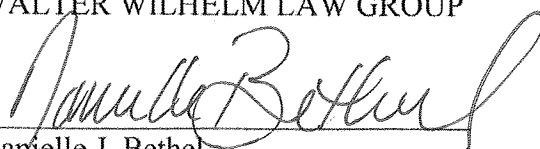
1 Lawsuit against TRMC, to ensure that no assets of TRMC are reached in satisfaction of the  
2 settlement or judgment.

3 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Zulim's Motion  
4 herein is **GRANTED** under the conditions set forth herein.

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6  
7 Presented and Approved by:  
8 FARLEY LAW FIRM


9   
10 Donald L. Mabry  
11 Attorneys for Movant,  
12 Rebecca Zulim, M.D.

13 Approved by:  
14 WALTER WILHELM LAW GROUP

15   
16 Danielle J. Bethel  
17 Attorneys for Debtor,  
18 Tulare Local Healthcare District  
19 dba Tulare Regional Medical Center  
20

21 **Dated:** Apr 30, 2018

22 **By the Court**

23   
24 René Lastreto II, Judge  
25 United States Bankruptcy Court  
26  
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